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19 December 1990

ORIGINAL: ENGLISH

LETTER DATED 19 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF YUGOSLAVIA TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to transmit, enclosed herewith, the Memorandum on the negative consequences of the Gulf crisis and the implementation of Security Council sanctions against Iraq on the Yugoslav economy which I submitted to the Working Group of the Security Council Committee established by resolution 661 (1990) concerning the situation between Iraq and Kuwait on 16 November 1990.

I should be grateful if you would arrange to have the present letter and its enclosure circulated as a document of the Security Council.

(Signed) Darko SILOVIC
Ambassador
Permanent Representative

Annex

Memorandum dated 16 November 1990 on the negative consequences of the Gulf crisis and the implementation of Security Council sanctions against Iraq on the Yugoslav economy

I

On the request of the Secretary-General of the United Nations, the Federal Secretary for Foreign Affairs of Yugoslavia transmitted on 23 August 1990 in his note verbale, circulated as document S/21618, the position of the Yugoslav Government regarding the implementation of United Nations Security Council resolution 661 (1990).

In the note verbale it was clearly and unequivocally stated that as from 6 August 1990 the Yugoslav Government endorsed resolution 661 (1990) and commenced to apply consistently and fully all sanctions required by it.

Under paragraphs 3 and 4 of the resolution the Yugoslav Government decided as follows:

1. To stop all shipments to Iraq and the use of Yugoslav transport means for supplying Iraq and Kuwait with third country products;

2. To suspend all imports from Iraq;

3. To stop all investment and construction works by Yugoslav companies in Iraq;

4. Not to supply Iraq with arms and military equipment while the sanctions under resolution 661 (1990) are being enforced;

5. To freeze Iraqi assets;

6. To evacuate to the greatest extent possible Yugoslav workers at building sites in Iraq and Kuwait.

As was explained in the note verbale, and in the statement by Ambassador Pejic to the sanctions Committee on 6 September 1990, the decision of the Yugoslav Government to comply with the sanctions will have an extremely negative effect on all aspects of the Yugoslav economy. The potential long-term losses in the period 1991-1995 are estimated to amount to $6 billion.

II

According to the newest calculations, the total estimated losses that the Yugoslav economy will bear in 1990 as a consequence of implementing resolution 661 (1990) are as follows:

- $240 million due to the non-realization of exports already contracted to Iraq and Kuwait;

- $242 million in oil deliveries to pay off Iraqi debts to Yugoslav companies;

- Non-realization of $145 million due to the freeze on the payment for Yugoslav goods and services;

- $350 million for the purchase of 2 million tons of oil on the spot market;

- $371 million on account of oil and petroleum purchases in other countries at higher prices;

- $60 million estimated lost income to Yugoslav workers engaged in construction projects in Iraq.

The total loss for 1990 would therefore amount to $1.3 billion.

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19 December 1990
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LETTER DATED 19 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF TUNISIA TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

I have the honour to transmit to you herewith the text of the memorandum dated 24 August 1990 from the Republic of Tunisia concerning the repercussions of the Gulf crisis on the Tunisian economy.

I should be grateful if you would have the text of this letter and its annex circulated as a document of the Security Council.

(Signed) Ahmed GHEZAL
Ambassador
Permanent Representative

ANNEX

Memorandum concerning the repercussions of the Gulf crisis on the Tunisian economy

1. Given the principles which govern its foreign policy, the Republic of Tunisia considers itself bound by the Security Council resolutions concerning the economic embargo decreed against Iraq.

As soon as the decision was announced the Government took concrete steps to ensure that it was strictly implemented.

The Department of Customs issued an instruction to that effect, dated 16 August 1990, suspending all imports and exports of goods originating in or destined for Iraq and Kuwait.

The government export trade insurance organization (COTUNACE) for its part suspended coverage for transactions involving those countries.

The Central Bank of Tunisia issued instructions to authorized agents to suspend opening credit and all financial settlements in respect of operations with Iraq and Kuwait.

At the same time, the Tunisian administration took the necessary steps to preserve the interests of the State of Kuwait and of its legitimate Government. Assurances to that effect have been reiterated to the representatives of Kuwaiti interests in Tunisia.

2. In view of these decisions, owing to the relations of close co-operation that it maintains with Iraq and Kuwait, Tunisia finds itself subject to negative repercussions on the commercial, financial and social levels.

3. On the commercial level, the embargo decision has meant the suspension of a very promising flow of trade.

The volume of exports to Iraq amounted to nearly 50 million dollars for the first six months of 1990 and a series of contracts worth 100 million dollars had been concluded; it had therefore been anticipated that overall exports for 1990 would be in the order of 125 million dollars at least. Moreover, some 30 million dollars worth of manufactured goods were on the point of being shipped to Iraq on the eve of the Gulf crisis, and, because of the specifications and standards of these products, it will be difficult to redeploy them to other markets.

In addition, as a corollary to the embargo, the financial claims of Tunisian enterprises on Iraq are in jeopardy. Some $66 million in commercial facilities have been granted to Iraq, 27.3 million of which is already past due and 6.5 million will fall due before the end of the year. The impact is already being felt at the enterprise level and at the balance-of-payments level.

4. On the financial level, Tunisia maintains relations of close co-operation with Kuwait and with Arab institutions whose headquarters are located in Kuwait, specifically the Arab Fund for Economic and Social Development (AFESD) and the Inter-Arab Investment Guarantee Corporation (IAIGC).

With Kuwait, the present situation has resulted in a suspension of flows of direct Kuwaiti investment in Tunisia, amounting to between 20 and 25 million dollars annually, and the interruption of the programme of loans granted by the Kuwaiti development fund.

On the eve of the crisis, the external resources available in that fund amounted to 190 million dollars which, it was expected, would be used for some one dozen infrastructure projects during the period 1990-1993. Of that amount, 30 million dollars was to be disbursed during the last five months of 1990.

With the Arab institutions whose headquarters are located in Kuwait the recent developments have meant:

(a) The interruption of co-operation with the Arab Fund for Economic and Social Development. The external resources which were available, which are now frozen, amounted to some 230 million dollars of which 45 million dollars was to be disbursed before the end of 1990.

(b) The suspension of the activity of the Inter-Arab Investment Guarantee Corporation and, as a result, of the coverage which it had provided to Tunisian enterprises, amounting to close to 30 million dollars in the form of export credit guarantees, mostly (two thirds of the guarantees) to Iraq.

5. Finally, on the social level, the Tunisian community, although small, was made up of some 5,000 management personnel and employees, most of whom were working with technical co-operation programmes. The Gulf crisis has meant that these people have returned en masse, in difficult and distressing circumstances; they have lost not only their jobs but also their belongings and they have been unable to remit their savings and are now having a hard time re-integrating themselves into the economy.

In this connection, remittances from Tunisian workers in Kuwait and Iraq in terms of their savings are estimated at some 40 million dollars, which comes to an average of 10 thousand dollars per person.

6. It is clear from the foregoing that the repercussions are serious, particularly on the balance of payments, the reduction in foreign exchange being some 209 million dollars for 1990, which represents 1.7 per cent of GDP, and almost 345 million dollars for 1991, representing 2.5 per cent of GDP.

	Repercussions	
	1990	1991
	(in millions of dollars)	
Exports of goods	75	130
Default in payments	34	30
Remittances from Tunisian workers	15	40
Direct investments	10	20
Official financing of ongoing projects	75	125
	209	345

It is true that the higher oil prices are providing Tunisia with additional resources. However, the effect of this increase is very small, amounting to 4 million dollars for each $1 increase per barrel over a full year, because there is not very much surplus oil (a mere 800,000 tons per year) and also because these additional resources will be more than absorbed by the expected indirect effects of the crisis due, in particular, to the foreseeable increase in the prices of imports and the decrease in external demand.

7. This is happening at a time when Tunisia has embarked on a major programme of reform and restructuring with the support and endorsement of international bodies and it would be difficult to deal with the situation.

Thus, in accordance with Article 50 of the Charter of the United Nations, the Government has requested that consultations be initiated with the Security Council with a view to finding appropriate solutions to the problems raised by the Gulf crisis and the embargo decreed against Iraq so as to safeguard Tunisia's economic and social interests.

Tunisia hopes that this request will be supported and endorsed by the friendly countries with which it has special relations of co-operation and whose ideals and principles it shares in order to alleviate the effects of these repercussions and to enable Tunisia to continue its development smoothly.

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19 December 1990
ENGLISH
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LETTER DATED 19 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF IRAQ TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

On instructions from my Government, I have the honour to transmit herewith the communiqué issued by the joint meeting of the Revolution Command Council and the Regional Command of the Arab Baath Socialist Party on 17 December 1990.

I should be grateful if you would have this letter and its annex circulated as a document of the Security Council.

(Signed) Abdul Amir A. AL-ANBARI
Ambassador
Permanent Representative

Annex

Communiqué issued on 17 December 1990 by the joint meeting of the Revolution Command Council and the Regional Command of the Arab Baath Socialist Party

O you great people of Iraq; O you willing members of our intrepid armed forces; O Arabs; O Nation of prophets and messengers, honoured by God in bearing them and His message as a constant foundation of faith and of revolution against that which is false; O believers wherever you may be:

Space does not permit us to tell you all that we should of the background to the conspiracy hatched by the forces of evil in the region against Iraq among those Arabs who behave in the manner of Abu Jahl or of heretics who uphold that which is false. This plot was hatched when Iraq displayed truth and justice in its position and called for that truth to be revealed, both implicitly and explicitly, at the level of the Arab Nation as a whole and between the Nation and others in the international domain. The forces of evil in the region - the slaves of foreign interests and those who fall into weakness and pitfalls - found that their alliance or, more exactly, their submissive deference to zionism and America must take a course other than that to which they had previously been accustomed, assuming the guise of confrontation. Despite the patience and endurance of the long-suffering people of Iraq, we decided that the designs contrived on the basis of wicked plans by the oppressors against the centre of shining faith and courageous defiance, our beloved Iraq, represented the last of the red lines which, if crossed by the forces of injustice, could not be allowed to pass without a stern penalty.

After the forces of injustice attempted to cross that line, in order thereby to extinguish every glimmer of light and to close any brightening window, so that darkness, corruption and depravity might envelop the Nation, defiling the foundation of faith and veiling the light of Islam, Iraq rose up in the name of God, unsheathing its sword together with the true believers to threaten the agents of foreign interests in the nest of spies, who had made use of our good Iraqi land in Kuwait and its manifest resources as a means to promote their subversion and conspiracy against the country from which the land of Kuwait was severed.

The result was the clear victory of God over Qarun and his associates on the great Day of Appeal, that glorious Day which shook the foundations of injustice everywhere and gave rise to far-reaching hopes, matching the extensive hopes held by the sons of our Nation for liberation, honour and prosperity balanced with faith.

Among the first to rejoice at the results of that great Day and that huge stream of faith shining out from the land of hope in Iraq, the land of heroism and glory, were our brothers and dear friends, the sons of Palestine, who have been fighting a holy war against injustice and enduring to the limits of their patience for more than 40 years, tormented ever since that time and up to the present day by the conspiracy of conspirators and the disgraceful behaviour of those who have sold their honour, their patriotism, the values of the single Nation and the principles of Islam.

The attitude of that band of holy warriors everywhere, with the heroes of the stones in the forefront, constituted - in its applause for Iraq, its leader, Saddam Hussein, and the Day of Appeal - the highest level of faithful pan-Arab consciousness and the supreme degree of crucial solidarity between the position of Iraq and that of the pan-Arab struggle. Since that Day of Appeal, which swept away one of the most despicable thrones of corruption, infamy and conspiracy against the Arab cause in general, including the cause of Palestine, we affirm that the attitude of the Palestinian holy warriors, who link their destiny to their aspirations and the demonstration of truth in the Arab world to the destruction of dens of corruption, has served as a lesson to those who are prepared to hear it and a zealous expression of faith for those who bend their zeal in the right direction.

It is no coincidence that any zeal for combat felt by the heroes of Iraq and its great people should include an image of the Arab Nation both as it is and as believers desire it to be, with the image of the oppressed people of Palestine in the foreground. Accordingly, one of the main principles of the process of the revolution of 17-30 July was this association, both in theory and in action, between pan-Arab and national interests and between both those sets of interests and the humanitarian values upon which our great spiritual heritage is based.

Sustained by that belief, Palestine was in the mind of every combatant, every revolutionary and every holy warrior who planned, fought, joined in and sustained the July revolution. It was one of the visions over which no veil was ever drawn either when the sky was clear or when thunder and lightning grew stronger. The Dome of the Rock continues to exercise its effect of faith and to make its deep impression on calm spirits, when calm is required, and on spirits aroused in aversion when circumstances so dictate. For us, there was a clearly established link between the removal of corruption and depravity and an increase in the possibilities and potentialities of the holy war, between the liberation of Palestine ... between the liberation of Kuwait and its incorporation as the 19th Governorate and between the liberation of Palestine ... between any opportunity for freedom arising from a free decision of our struggling people in the west of the huge Arab world and any ray of light over Palestine in the east of the Arab world. It was therefore inevitable, from the very moment of decision concerning the Day of Appeal, even before the heroes converted it into a tangible event, that this link should exist between the liberation of Kuwait and the destruction of the nest of spies over their heads, on the one hand, and the provision of added potential for the liberation of Palestine, on the other. Indeed, this link between the liberation of Palestine and any ray of light over our Arab world outside Palestine continues to be present in the minds of enemies of the Arab Nation. It is on this basis that they have resisted all the noble movements and organizations which have honestly and sincerely raised the emblems of Palestine, and it is for this reason that they have conspired against Iraq, to the extent of cutting off from it even the scrap of bread imported before the events in the Gulf.

This is the significance, as it relates to struggle, to holy war, to principle and to practice, of the link between the patriotic struggle in Palestine and the pan-Arab struggle and the holy war of Islam outside Palestine. But why have we now made that linkage politically and in terms of our international actions and our statements and activities at the level of international relations? It is because no country of the outside world has any right to interfere in a matter that we consider to be our own internal affair, whether at the level of inter-Arab relations or with regard to the issue inside Iraq. The only breach that might allow the entry into the issue of those other than the sons of one and the same Nation and one and the same people is recourse to pretexts based on international law and the Charter of the United Nations. In this connection, we must bear in mind and we must not forget how the organs of the United Nations have conspired against the cause of Palestine, have passed over conspiracy in silence or have spoken with diffidence when they had no choice but to speak in order to preserve a minimum degree of credibility with certain persons and when influence was exerted on them by those parties to the cold war that were friends of the Arabs. These organs nevertheless remained incapable, or so they wished to remain, of giving practical and serious implementation to any resolution of benefit to the Arabs, principally with regard to the question of Palestine. The resolutions adopted by the United Nations General Assembly and the Security Council since 1948 have thus remained no more than ink on paper.

In adopting this approach, we do not seek to make the rights of the Palestinian people and the liberation of Palestine dependent on the Gulf crisis and on security in the Gulf so as to impede their achievement whenever an opportunity presents itself and by any honourable means. Our intention was rather to make the credibility of the "United States Security Council", of United States officials and of the security of the region dependent on the liberation of Palestine and the full restoration to the people of Palestine of their legitimate rights. Accordingly, in keeping with this portrayal of the situation, our call has been for genuine participation in the struggle and the holy war accompanied by sacrifice for the sake of Palestine, and it is not a call made in trivial circumstances. Its practical and moral force is clear, and nothing gives greater proof to that effect than the testimony of the heroes of the intifidah and of the President of the State of Palestine. Therefore, as a test of the credibility of the "United States Security Council" in its call for respect for international legitimacy and international law, we have said and we continue to say that the Arabs, including Iraq, are urging international legitimacy and respect for international law. Many among the Arabs have for long years been pursuing the mirage of those two concepts without any usurped rights being restored to them and without the application of any of the norms and decisions of the United Nations to their advantage.

The major Powers concerned, which have arrogated to themselves the right to exercise a special patronage over the norms and resolutions of the United Nations, have acted with disdain in dealing with all issues affecting the Arab Nation and have failed to address them honestly. They have handled such issues on an unjust and selective basis and have distorted them at their whim. What wrong has been done to the Arabs has been done, inasmuch as their Nation was fragmented, their countries torn apart, Palestine usurped and Lebanon occupied and transformed into a bloody, festering wound in the body of the Arab Nation, without any application of international law.

On that basis, and so as to lend moral and practical impetus to the cause of Palestine at the appropriate moment and test the seriousness of the desire of those concerned to actually adhere to international law and international legitimacy, we maintained that regional issues as a whole should be linked in political and practical terms as a realistic consequence of their objective linkage, which is that of cause and effect.

It is natural that those who strive earnestly and sincerely to advance the causes of their Nation should endeavour to take advantage of every opportunity that presents itself. It is therefore natural that we should raise the question of Palestine in the manner in which it merits to be raised when people proclaim, or some affect to proclaim, the need for stability in the region and the achievement of security there by means of the application of international law and international legitimacy. Seriousness of intent with respect to the implementation of Security Council resolutions and of international legitimacy in the matter of Palestine and the Palestinians should be demonstrated as a first and indispensable step if the scope and proper signification of legitimacy are to be opened up to include the discussion and resolution of the other issues in the region, including the Gulf crisis, in accordance with uniform criteria and on the basis of their background and antecedents in keeping with the initiative of President Saddam Hussein of 12 August last. The gains made by the Arabs, including the Iraqis, would then be great and would merit sacrifices on their part, from each as necessary, as is required of other peoples.

It is clear from the foregoing, friends and colleagues, that we did not recall the liberation of Palestine, only on or after the great Day of Appeal. Palestine has been in our hearts and minds and before our eyes, and we have borne its liberation as a watchword and a mission since we were schoolboys and ever since its occupation by the Zionists in 1948. When we maintain that there is a linkage, as we did in the initiative of 12 August, the belief that Kuwait is a part of Iraq will never be shaken, and that it is its nineteenth governorate is a fact which our people and our armed forces now regard as a great accomplishment, not only in terms of the restoration of usurped territory and the return of a people lost to its kin, but also because it has become a watchword for the noble conflict between all faith and all godlessness and between economic and social iniquity and fairness as the basis of all justice. It has become a symbol of honour and virtue in this great conflict - the prototypical battle. It was our intention to link any gain for the Arab Nation and any national gain with any local flexibility. The achievement of any great victory with respect to the security and stability factor and the spiritual and cultural advancement of the Arab and Islamic Nation represents a new situation which places both of them in the position that we intend for them and that the Believers desire. At the same time, there is a constant readiness, even to the last remaining arenas in the evildoers' quiver, for the fearless confrontation, if God should wish it to be. Thereupon, heads will roll and there will fall many of the thrones of the sway of injustice and of the unjust, the impact of which on what He wishes and what pleases Him is known to God alone. The fleets and forces of injustice shall never intimidate us. God shall curse and burn in the fires of hell the ashen faces that seek evil against the Arab Nation, and the dens of traitors and of zionism shall collapse above their heads. The feet of the heroes shall trample the heads of those who seduce themselves into

transgressing against the flaming borders of Iraq, fortified with glory, pride and faith. Cries of "Allahu Akbar" shall cover the fields of tumult from whose dust there shall arise, when the millstone has ceased its grinding, a sun of glory for the entire Arab Nation and a victory unequalled by any other victory. The iniquitous shall be defeated, leaving their loathsome blood and the corpses of their servants as food for predators.

We seek peace. We seek dialogue for the sake of peace. We respect legitimacy. We seek the application of international law to issues of concern to the Arab Nation. But we reject submission, we deride those who think it possible, and we accord no weight to any of those who exalt themselves and are pleased with their power over us. The prudence commended to us by God and His Holy Prophet rejoices the hearts of the believers and gladdens them. We reject the unilateral imposition of deadlines, as the President of the United States of America seeks to do with respect to the dialogue to which he has agreed. We insist on our right as a sovereign State on an equal footing with the legitimate right of those States that view themselves as being the greatest in the world. We consider nothing great but the truth, and nothing is more exalted over us than the truth. It is God who is the Most Great, the Most High and the Almighty.

God is great; and may the base be driven out.

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GENERAL ASSEMBLY
Forty-fifth session
Agenda items 23 and 35
QUESTION OF PALESTINE
THE SITUATION IN THE MIDDLE EAST

SECURITY COUNCIL
Forty-fifth year

Letter dated 17 December 1990 from the Permanent Representative of Egypt to the United Nations addressed to the Secretary-General

I have the honour to transmit the communiqué issued by the members of the Organization of the Islamic Conference at the United Nations in their meeting on 14 December 1990, regarding the situation in Jerusalem (see annex) and to kindly request that the present letter and its annex be circulated as a document of the General Assembly, under agenda items 23 and 35, and of the Security Council.

(Signed) Amre M. MOUSSA
Ambassador
Permanent Representative

ANNEX

Communiqué issued on 14 December 1990 by the members of the Organization of the Islamic Conference at the United Nations on the situation in Jerusalem

The members of the Organization of the Islamic Conference at the United Nations, at their meeting on 14 December 1990, expressed their grave concern regarding the recurrent attempt by some Jewish elements to desecrate the Holy Sites in Jerusalem, the most recent example of which was the Israeli violence that took place on 8 October at the Haram al-Sharif in Jerusalem and resulted in over 20 Palestinian deaths and in the injury of more than 150 Palestinian civilians.

The meeting reaffirmed its condemnation of the acts of violence committed by the Israeli occupation forces, which have resulted in these injuries and loss of human life.

It further reaffirmed that the recurrence of such acts would be a blatant violation of international law, as well as an affront to the universal position of the world community recently reaffirmed in United Nations resolutions. It called upon Israel, the occupying Power, to abide scrupulously by its legal obligations and responsibilities under the Fourth Geneva Convention, which is applicable to all Palestinian territory occupied by Israel since 1967, including Jerusalem, as well as other Arab territories occupied by Israel since then.

The meeting strongly reaffirmed its firmest rejection of all attempts to change the status or character of the Holy City of Jerusalem, and considers all such attempts and measures taken by Israel as null and void.

In this connection, it called upon the international community to remain forceful and resolute in its position regarding the status of Jerusalem, as reflected in Security Council resolutions 476 (1980) and 478 (1980).

On this occasion, the members of the Organization of the Islamic Conference at the United Nations expressed their sincere appreciation to those delegations which adopted positions and expressed opinions unequivocally reaffirming the international consensus on the status of Jerusalem, and which are actively seeking to reinforce the international community's resolve in this regard.

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GENERAL ASSEMBLY
Forty-fifth session
Agenda items 35 and 153
THE SITUATION IN THE MIDDLE EAST
IRAQI AGGRESSION AND THE CONTINUED
OCCUPATION OF KUWAIT IN FLAGRANT
VIOLATION OF THE CHARTER OF THE
UNITED NATIONS

SECURITY COUNCIL
Forty-fifth year

Letter dated 17 December 1990 from the Permanent Representative of Italy to the United Nations addressed to the Secretary-General

I have the honour to transmit the texts, in English and French, of the Declarations on the Gulf Crisis (annex I), on the Middle East (annex II), and on Lebanon (annex III) issued by the Twelve States members of the European Community at the European Council held in Rome on 14 and 15 December 1990.

I should be grateful if you would have the text of the present letter and its annexes circulated as a document of the General Assembly, under agenda items 35 and 153, and of the Security Council.

(Signed) Vieri TRAXLER
Ambassador

ANNEX I

Declaration on the Gulf crisis

1. The European Community and its member States remain firmly committed to full implementation of the United Nations Security Council resolutions. Complete Iraqi withdrawal from Kuwait and the restoration of Kuwaiti sovereignty and of its legitimate Government remain the absolute conditions for a peaceful solution of the crisis.

2. Security Council resolution 678 (1990) sends the clearest possible signal to Iraq that the international community is determined to ensure full restoration of international legality. The responsibility lies on the Iraqi Government to ensure peace for its people by complying fully with the demands of the United Nations Security Council, in particular by a complete withdrawal from Kuwait by 15 January.

3. The European Community and its member States earnestly hope that implementation of the United Nations Security Council resolutions can be peacefully secured. To this end, they support a dialogue of the sort President Bush has offered. They also favour action by the Secretary-General of the United Nations and hope that the Security Council's permanent members will remain actively involved as well. They wish Arab countries to continue to play an important role in the efforts for a peaceful solution. The European Community and its member States underline the value of a contact between the Presidency and the Foreign Minister of Iraq, aimed at securing, in co-ordination with other members of the international community, full compliance with the Security Council resolutions.

4. The European Council expresses relief at Iraq's decision to release all foreign hostages, but underlines its deep concern at Iraq's failure to withdraw from Kuwait, at its oppressive and inhuman occupation of Kuwait and its attempt to destroy the fabric of the country.

ANNEX II

Declaration on the Middle East

1. The European Council expresses its dismay at the continuing lack of clear prospects for a solution to the Arab-Israeli conflict and to the Palestinian problem, and at the renewed acts of terrorism and violence. It expresses its deep concern at the rising incomprehension and tension in the occupied territories. It renews its call to the parties concerned to refrain from violence that can only engender new violence. It expresses its concern about the Israeli practices of collective reprisals, such as the destruction of houses or restrictions on freedom of movement, and deplores the recent decision to place moderate Palestinians under administrative arrest.

The European Council calls once again upon Israel to comply with resolutions 672 (1990) and 673 (1990) of the United Nations Security Council, to act in conformity with its obligations under the Fourth Geneva Convention on the protection of the Civilian Population, and to co-operate with the United Nations. It welcomes the recommendations by the Secretary-General of the United Nations in this regard and fully supports every effort of the United Nations Security Council to achieve a better protection of the Palestinian population and to promote peace in the area. It reaffirms the determination of the European Community and its member States to further assist the Palestinian population in its serious plight.

2. The European Council reiterates its long-standing commitment to a just and lasting solution to these problems, in conformity with the relevant resolutions of the United Nations Security Council and with the principles expressed by the European Community in its previous declarations. To this end, the European Council reaffirms its support for the principle of convening, at an appropriate time, an international peace conference, under the auspices of the United Nations.

3. The serious deterioration in the economic situation in the occupied territories is a source of great concern to the Community. In this connection, the European Council reaffirms its commitment to the economic and social development of Palestinian people and considers that, in the new circumstances, the doubling of Community aid to the occupied territories decided by the Strasbourg European Council appears particularly appropriate and timely.

The European Council also considers it vital for all efforts to be made to create the conditions for facilitating and increasing trade between the occupied territories and the Community.

4. As expressed in its Declaration of 28 October 1990, the European Council remains convinced that relations of mutual confidence and co-operation must be encouraged among the countries of the region, with a view to establishing a situation of stability, security, economic and social well-being, and respect of civil and political rights, to forestalling the recurrence of crises, and to preventing the spread of weapons of mass destruction. The European Community and its member States remain ready actively to co-operate with the concerned countries

to achieve these goals and to contribute to the success of the task entrusted by relevant resolutions to the Secretary-General of the United Nations to examine measures to enhance security and stability in the region. In this connection, the European Council reaffirms the importance of a meaningful and constructive Euro-Arab dialogue.

ANNEX III

Declaration on Lebanon

The European Council expresses its satisfaction at the implementation of the security plan in Greater Beirut following the withdrawal of all militias from the Lebanese capital. It expresses the hope that the recent developments can foster the process of national reconciliation and lead to the full implementation of the Taif agreements, thus bringing about the restoration of the sovereignty, independence, unity and territorial integrity of a Lebanon free of all foreign troops and enabling the Lebanese people to express their will through free elections.

It appeals to the parties concerned to release all remaining hostages.

The European Community and its member States reaffirm their commitment to help provide Lebanon with the assistance needed to build its future and view favourably the participation of the Community in the pledging conference for the creation of a Lebanon assistance fund.

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S/22019
19 December 1990

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LETTER DATED 19 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF CZECHOSLOVAKIA TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to reaffirm that the Czech and Slovak Federal Republic has adopted concrete measures aimed at strict implementation of Security Council resolution 661 (1990), which are contained, inter alia, in Security Council document S/AC.25/1990/9. However, this position entails considerable negative consequences for the Czechoslovak economy exactly at the time of a resolved transition to the principles of market economy. Therefore, the Czech and Slovak Federal Republic has exercised its right and consulted, in accordance with Article 50 of the Charter, on the possibilities of alleviating its economic losses.

Following up to my letter of 2 October 1990 (S/21837), I wish to present some additional information in this regard:

Loss incurred in 1990	(In United States dollars)
Frozen assets of Czechoslovak foreign trade corporations in Iraq and Kuwait	586 million
Failed contracts due to the embargo	403 million
Effects of oil price increases on Czechoslovak balance of payments in freely convertible currencies	592 million
Total	1 581 billion

The overall value of contracts under preparation with Iraq and Kuwait is estimated to be 2 billion Czechoslovak koruny (about $US 120 million).

Loss in 1991

The minimum estimated loss for 1991 caused by increased oil prices is $US 1 billion.

I should be grateful if the text of this letter could be circulated as a document of the Security Council.

(Signed) Eduard KUKAN
Ambassador
Permanent Representative

UNITED
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S/22020
19 December 1990

ORIGINAL: ENGLISH

LETTER DATED 18 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

I have the honour to inform you that on 16 December the British Government temporarily withdrew its Ambassador and his remaining staff from Kuwait. The British Embassy in Kuwait has not however been closed. The Ambassador will return once the authority of the legitimate Government of Kuwait has been restored.

I attach the text of a note which the British Embassy in Baghdad delivered to the Government of Iraq on 18 December.

I request that this letter and its enclosure be circulated as a document of the Security Council.

(Signed) D. H. A. HANNAY

Annex

The United Kingdom Government repeats its protests against the illegal actions of the Iraqi authorities which have obliged the temporary withdrawal of the Ambassador and his staff from the British Embassy in Kuwait.

These illegal acts, in direct defiance of resolutions 662 (1990), 664 (1990) and 667 (1990) of the United Nations Security Council, are, like Iraq's purported annexation of Kuwait, without legal effect. They violate accepted standards of normal diplomatic behaviour and are condemned by the international community.

The British Embassy and its staff are duly accredited to the legitimate Government of Kuwait, and as such are entitled under the Vienna Convention on Diplomatic Relations to the protection, privileges and immunities there specified. The Government of Iraq and the Iraqi occupation authorities are obliged to respect and observe these rights. Iraq cannot, by its illegal occupation of Kuwait, claim to extinguish or infringe the rights which the British Government and their Embassy in Kuwait enjoy under the provisions of the Vienna Convention. By interfering with the functioning of the British Embassy in Kuwait, and thus necessitating the temporary withdrawal of the Ambassador and his staff, Iraq has violated the most fundamental provisions of the Vienna Convention on Diplomatic Relations, to which Iraq is a party.

The United Kingdom will hold Iraq responsible for the above violations of the Vienna Convention. The United Kingdom reserves all its rights in this regard, notably the right to claim compensation for any damage to or interference with British diplomatic property in Kuwait.

The United Kingdom will in the mean while hold Iraq responsible for ensuring the protection and inviolability of British Embassy premises, private residences and other property in Kuwait, and the protection, safety and well-being of British nationals in Kuwait.